

**WASHINGTON** -- On the opening day of the new 106th Congress, U.S. Rep. Spencer Bachus (R-AL) renewed his effort to make withdrawals from prepaid tuition plans like Alabama's exempt from federal taxes.

Bachus today resubmitted legislation he first introduced in 1997 to make such withdrawals tax-free. His bill, the College Savings Protection Act, would change current federal law that includes withdrawals from state prepaid tuition plans as adjusted gross income and thus makes them subject to federal income taxes.

"We should be doing all we possibly can to make college more affordable for families. Prepaid tuition plans like Alabama's are giving the opportunity of a college education to thousands of kids who otherwise probably would not get that opportunity. If we are serious about helping more middle and lower income students go to college, we cannot let this tax stand," Bachus said.

Bachus's bill was included as part of a broader education reform package that passed Congress last year but was vetoed by President Clinton. "That was a setback, but not the end of this fight," Bachus said.

This time, Bachus has additional ammunition he believes will help his cause: a study released last September by the Heritage Foundation's Center for Data Analysis. That study estimates about 30 million children could benefit if withdrawals from prepaid tuition plans were tax-exempt.

"We can help send 30 million kids to college by making this change," Bachus said. "At the same time, this bill requires no new government bureaucracy, it recognizes that states should lead the way on education and it encourages families to save."